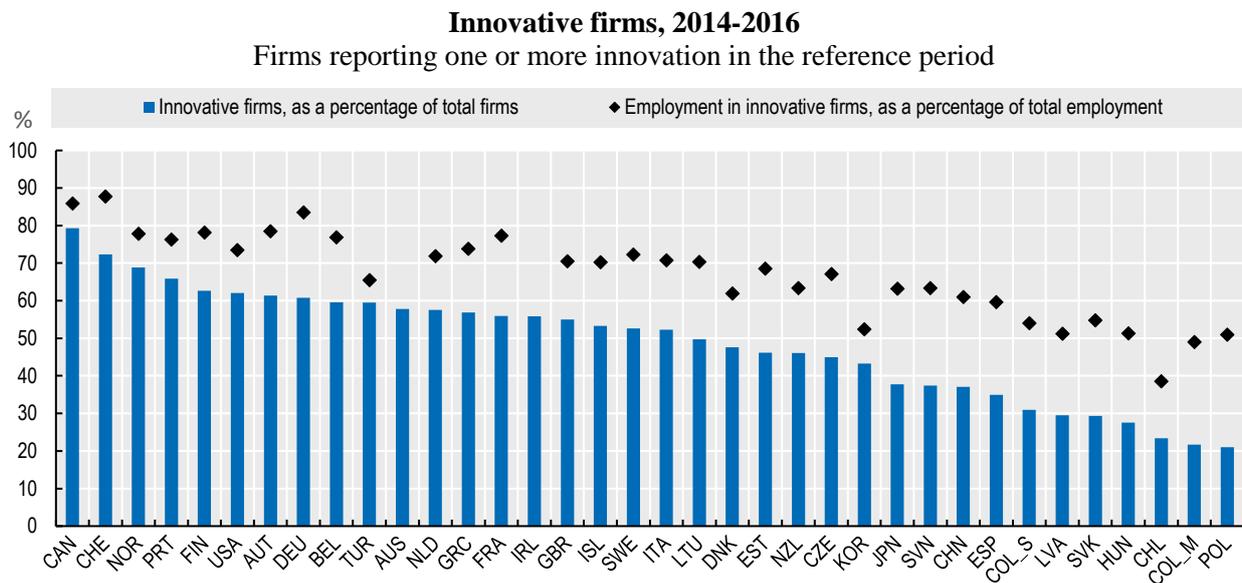


Highlights from OECD *Innovation Indicators* 2019

The OECD 2019 edition of *Innovation Indicators* is a compendium of indicators on business innovation across 39 OECD member countries and partner economies. Published on 29th January 2020, *Innovation Indicators* is based on data collected by national statistical offices under the guidelines of the OECD/Eurostat *Oslo Manual*. The latest release provides information on the extent to which firms have been implementing new or improved products and business processes; their degree of novelty and economic significance; the investment and collaboration activities incurred as part of these efforts; and the role of markets and dedicated government support in different countries.

How do firms innovate across the world?



Source: OECD, based on the 2019 OECD survey of national innovation statistics and the Eurostat's Community Innovation Survey (CIS-2016), <http://oe.cd/inno-stats>, January 2020.

The country-level results provide an aggregate picture of innovation performance that combines high- and low-performing companies in different industries:

- Innovation efforts and outputs exhibit a significant degree of concentration, as larger firms tend to be more innovative. In the median OECD country, 53% of firms introduced a new product or business process in 2014-16. These innovative firms accounted for 70% of business sector employment.
- Companies tend to introduce more than one type of innovation in a given period, transforming both the products (goods and services) they deliver and the way they operate and organise themselves to deliver them (business processes).
- Much reported innovation does not require firms to perform R&D themselves or ultimately leads to requests for formal intellectual property protection.
- Only a fraction of firms adopt innovations that are new to their markets, as diffusion of innovations previously developed by others accounts for a significant part of reported innovations.
- The *Innovation Indicators* also show that support and demand conditions for innovation matter. For example, firms that are active in the international markets are more likely to be innovative, and vice versa. Public support for innovation is mostly concentrated among firms that carry out R&D. In the median OECD country, 36% of R&D performing firms and 13% of non-R&D performing firms that undertake other types of innovation activities receive public support for innovation.

